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**Opening Statement Rep. Curt Weldon
Chairman, Military Research & Development Subcommittee
Hearing on Defense-Wide R&D Programs**

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This afternoon, the Military Research and Development Subcommittee will receive testimony on defense-wide and military service R&D programs. I want to welcome my good friend and ranking Member, Owen Pickett, and all the Members of the R&D subcommittee.

We welcome today's witnesses, Dr. Jacques Gansler, Under Secretary of Defense for Acquisition and Technology, Dr. Delores Etter, Deputy Under Secretary of Defense for Science and Technology, and Dr. Frank Fernandez, Director of the Defense Advanced Research Projects Agency. Thank you for being with us today and I'm looking forward to your testimony.

We are going to examine several elements of the Department's R&D request for fiscal year 2001. While much of today's testimony will be very positive, I want to more closely examine some of the issues and concerns that Members have raised and that are shared by this subcommittee.

During the past five years, this committee, under Chairman Floyd Spence's leadership, has led a bi-partisan effort to increase defense spending by over \$43 billion in order to address a portion of the unfunded requirements identified each year by the service chiefs. It has been a continual source of frustration for Members that the Department has not acknowledged any negative impacts resulting from the steady decline in requests for R&D funding. In fact, the Department announced three years ago that R&D funding was programmed to decline annually throughout the FY 1999 thru FY 2003 Future Years Defense Plan by a total of 14%...and that those reduced levels of funding were sufficient to meet requirements.

Also adding to our frustration, the Department has briefed the Congress on its annual budget request the last two years and announced increases in modernization funding and yet only procurement funding numbers were actually increased. In fact, R&D funding was decreased over \$3 billion from the previous year's appropriated levels.

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I had always thought that the term modernization meant both procurement and R&D. I and members of this subcommittee are concerned that the continual reference to procurement as modernization is further evidence that the Department does not place sufficient emphasis on the importance of the R&D investment. Fortunately, for the Department and the services, over \$8 billion of the \$43 billion in increases during the last five years were provided to correct R&D shortfalls.

With this year's budget request, we have some good news...and some bad news. The good news is that DOD has apparently reconsidered the need for R&D funding and has increased the FY 2001 R&D request by over \$3.6 billion over its own projection provided to Congress just last year. We now can consider a relatively healthy request for R&D funding that is only slightly lower than the level appropriated for FY 2000.

The bad news is that the "modernization train wreck" appears to have already happened in R&D, as well as in procurement. In this year's request, we are only beginning to see the early casualty figures in the form of cancellations or significant decreases in high priority R&D programs such as the Air Force ABL program, cut by over 50% and the Army's number one priority just last year the Crusader program, now directed to undergo major program restructure.

Maybe the concerns recently expressed by several respected defense budget analysts are unfounded, and this growing string of canceled and curtailed programs is misleading. Today's hearing will provide Members of this subcommittee an opportunity to discuss their concerns with Dr. Gansler and his staff.

I urge Members of the subcommittee to examine the R&D funding charts provided in their packages for this hearing. DOD has provided most of the charts, and when examined collectively they identify some disturbing imbalances within R&D.

Several of the charts appear to confirm that the majority of all modernization funding, in fact over 92% of this year's requested modernization funding, is focused on buying yesterday's and today's technologies, while only about 8% is left to fund science & technology for the future. I do acknowledge that many important programs such as F-22, Joint Strike Fighter, Comanche and missile defense programs are included in the 92% near term modernization, — but what about those future technologies needed to prepare our military services to face the changing, uncertain, and dangerous world referred to so often by DOD leadership?

Another concern is the apparent imbalance of modernization funding between the services and other defense-wide agencies. We are still receiving the details of the services' fiscally constrained modernization efforts, and yet most of the defense wide agencies appear to be adequately funded. Members may want to hear more about why some of these agencies appear to receive higher priority for R&D funding than the military services.

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